SENATE BILL No. 770

## **Introduced by Senator Walters**

## February 27, 2009

An act to amend Section 1578 of the Civil Code, relating to contracts.

## LEGISLATIVE COUNSEL'S DIGEST

SB 770, as introduced, Walters. Contracts: mistake of law.

Existing law provides that the consent of the parties to a contract must be free, and that an apparent consent is not free when obtained through a mistake. Existing law provides that a mistake of law constitutes a mistake under these provisions only when it arises under specified circumstances.

This bill would make technical, nonsubstantive changes to these provisions.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

- SECTION 1. Section 1578 of the Civil Code is amended to read:
- 3 1578. Mistake of law constitutes a mistake, within the meaning
- 4 of this Article article, only when it arises from either of the
- 5 following:
- 6 <del>1.</del>
- 7 (a) A misapprehension of the law by all parties, all supposing
- 8 that they knew and understood it, and all making substantially the
- 9 same mistake as to the law; or, law.
- 10 <del>2.</del>

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- 1 (b) A misapprehension of the law by one party, of which the others are aware at the time of contracting, but which they do not rectify.